

# Davy Funds Plc

## Davy ESG Multi-Asset Fund

### CLASS "A Distributing" UNITS

#### INVESTMENT OBJECTIVE

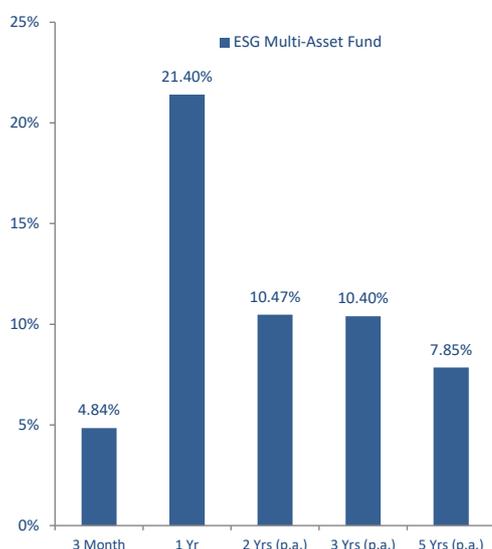
The primary investment objective of the Davy ESG Multi-Asset Fund ('the Fund') is to seek, over time, to achieve capital appreciation in real terms. The Fund may, as a secondary objective, also seek to generate a moderate level of income, from year to year, consistent with the growth objective.

#### INVESTMENT STRATEGY

The objective of the Fund will be achieved by investing across a range of asset classes including equities, bonds and fixed deposits. The Investment Adviser's ongoing investment policy will be to take due account of the nature of the trading activities carried out by such corporations from an ethical standpoint.

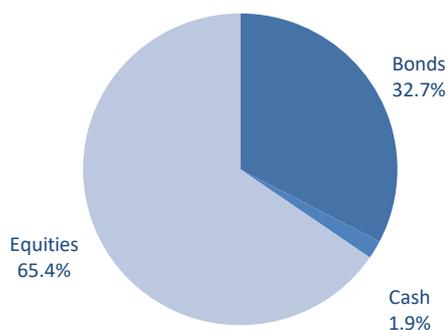
**NOTE: All information below is provided as at 31.03.2021**

#### INVESTMENT PERFORMANCE



Source: Stadia Fund Management & Northern Trust, Single Pricing, Net of Fees, Bi-Annual Income Distribution, Performance in Euro.

#### ASSET ALLOCATION (% Fund)



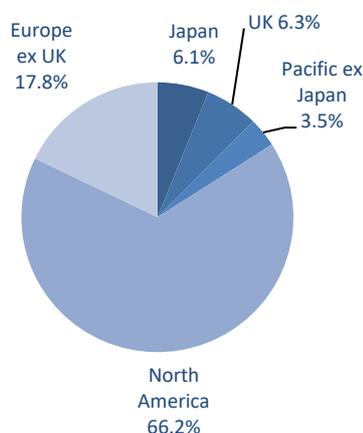
#### TOP 10 HOLDINGS (%)

##### 10 Largest Equity Holdings (% of Total Fund)

Stock	Country	Weight
Alphabet Inc.	USA	4.3%
Microsoft Corp.	USA	4.3%
Apple Inc.	USA	2.6%
Visa Inc.	USA	2.2%
Iberdrola S.A.	Spain	1.8%
Home Depot Inc.	USA	1.6%
American Express Co.	USA	1.5%
Nike Inc.	USA	1.4%
Oracle Corp.	USA	1.4%
Hologic Inc.	USA	1.4%
<b>Total</b>		<b>22.6%</b>

#### GEOGRAPHIC ALLOCATION (%)

##### Portfolio Geographic Allocation (% Equity)



## Davy Global Fund Management

April 2021

### ABOUT THE FUND

#### Base Currency:

Euro

#### Fund Size (EUR):

61.64 m

#### No. of Equity Holdings:

54

#### Investment Manager:

Davy Global Fund Management

#### Type of Unit:

Distributing

#### Valuation Point:

Close of business

#### Order Cut-Off Point:

Daily – All orders must be received by 16:00 p.m. (Irish time) one Business Day immediately preceding the relevant Dealing Day.

#### Lipper ID:

65090638

#### Structure:

UCITS\*

\* The assets of the Prescient Select Ethical Balanced Growth Fund, a sub-fund of the Prescient Select Portfolio (non-UCITS) were transferred to a new sub-fund of Davy Funds plc (UCITS), which is named the Davy ESG Multi-Asset Fund, on 17th October 2017. The same Strategy applies to both sub-funds.

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# Davy Funds Plc

## Davy ESG Multi-Asset Fund

### Q1 2021 MARKET REVIEW

The **Davy ESG Multi-Asset Fund** returned 4.84% in Q1 2021.

The rally in global equities continued through the first quarter of 2021 with the MSCI World index rising by 9.23% in euro terms. There was a marked change in leadership within equity markets as the technology sector underperformed somewhat, while energy financial and industrial shares performed strongly.

A number of events occurred during the quarter that contributed to the rising optimism around growth prospects for 2021. The Biden administration managed to get a \$1.9trn stimulus package through Congress in March, raising hopes of a sustained economic recovery in the US. At quarter-end the president gave an outline of a further \$2.25trn in infrastructure investment over the next eight years funded by corporation tax increases. Consumer confidence in the US and the euro-area continued to rise strongly during the quarter as household savings were bolstered by various support measures.

The prospect of strong growth encouraged a rotation away from technology-related stocks and into areas like energy, financials and industrials. These sectors outperformed during the first quarter as technology stocks lagged.

Fiscal support, low short-term interest rates and ongoing vaccine rollouts have raised the prospects of a growth overshoot in 2021; they also bring the prospect of rising inflation. However, in the first quarter, equity investors were focussed solely on the improving growth prospects.

Global government bonds fell by -3.58% in Q1, as measured by the JP Morgan Global Bond Index (euro hedged). US Treasuries were the main reason for this weakness. The surprise Democratic clean sweep in the Georgia run-off elections gave them de facto control of Congress, paving the way for largescale fiscal stimulus. This has put upward pressure on yields through higher future interest rate expectations and increased Treasury issuance. The move has also been fuelled by the rapid pace of vaccination against Covid-19 in the US and, as a result, a quicker-than-expected reopening of its economy.

In stark contrast, the pace of vaccination in the Eurozone has disappointed and the European Central Bank has been keener than the US Federal Reserve and the Bank of England to push back against rising yields. Therefore, while Eurozone yields have risen over the quarter, they have not risen by as much as yields in the US and UK.

At the March ECB meeting, the governing council said that it would buy bonds at a 'significantly faster pace' than so far in 2021 in response to the rise in bond yields in recent months. The pandemic purchase programme is set to stop in March 2022, but the size of purchases may be increased.

Source: Bloomberg

### CALENDAR YEAR FUND PERFORMANCE (%)

	2020	2019	2018	2017	2016
<b>ESG Multi-Asset Fund</b>	5.2%	21.3%	-1.0%	3.8%	3.2%

Source: Stadia Fund Management Limited, Bloomberg  
Single Pricing, Net of Fees, Bi-Annual Income Distribution, Performance in Euro

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## Davy Global Fund Management

April 2021

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**Warning: Past performance may not be a reliable guide to future performance. The value of your investment may go down as well as up. If you invest in this product you may lose some or all of the money you invest. An investment in the Fund should be regarded as long term.**